United Nations A/69/15 (Part III)

General Assembly

Distr.: General
2 October 2014

Original: English

Sixty-ninth session

Report of the Trade and Development Board on its fifty-ninth executive session*

Geneva, 23 to 25 June 2014

* The present document is an advance version of the report of the Trade and Development Board on its fifty-ninth executive session, held at the United Nations Office at Geneva from 23 to 25 June 2014. It will appear in final form, together with the reports of the fifty-eighth executive session, the twenty-eighth special session and the sixty-first session of the Board, as *Official Records of the General Assembly, Sixty-ninth Session, Supplement No. 15* (A/69/15).

14-61978 (E) 091014

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I. Introduction

1. The fifty-ninth executive session of the Trade and Development Board was opened by the President of the Board on Monday, 23 June 2014. In the course of the session, the Board held two plenary meetings, the 1117th and the 1118th.

II. Action by the Trade and Development Board

A. Matters requiring action by the Board arising from or related to reports and activities of its subsidiary bodies

1. Report of the Working Party
(Agenda item 3 (a))

2. The Chair of the sixty-seventh session of the Working Party on the Strategic Framework and the Programme Budget presented the main outcomes and agreed conclusions as detailed in the report. The main item on the agenda was the secretariat's review of the report on the implementation of the communications strategy and publications policy, approved by the Trade and Development Board in 2009, which covered activities undertaken from January to December 2013.

3. The Board took note of the report of the sixty-seventh session of the Working Party as contained in document TD/B/WP/260.

2. Report of the Investment, Enterprise and Development Commission
(Agenda item 3 (b))

4. The Board took note of the report of the Investment, Enterprise and Development Commission on its sixth session (TD/B/C.II/26), as presented by its Chair, and endorsed the agreed conclusions contained therein.

5. One delegation requested an amendment to the report, relating to how it was referred to in the paragraph listing speakers that made opening statements.

3. Report of the Trade and Development Commission
(Agenda item 3 (c))

6. The Board took note of the report of the Trade and Development Commission on its sixth session as contained in document TD/B/C.I/35, which was presented by the Vice-Chair-cum-Rapporteur of the meeting.

7. One delegation requested an amendment to the report, relating to how it was referred to in the paragraph listing speakers that made opening statements.

8. The delegation also requested substantive amendments to two other parts of the report to adequately capture the details of its interventions at that meeting.

4. Topics for single-year expert meetings for 2015 and 2016
(Agenda item 3 (d))

9. Under this agenda item, member States considered topics for single-year expert meetings that will be held in 2015 and 2016.

10. In accordance with paragraph 17 of the Doha Mandate and paragraphs 208 and 209 of the Accra Accord, the following three topics for single-year expert meetings were approved by the Trade and Development Board at its closing plenary meeting on 25 June 2014:

(a) Expert Meeting on Promoting Value Addition and Enhancement of Domestic Productive Capacity through Local Economic Empowerment;

(b) Expert Meeting on Cyberlaws and Regulation for Enhancing E-commerce, Including Case Studies and Lessons Learned;

(c) Expert Meeting on the Transformation of the International Investment Agreement Regime: The Path Ahead.

It was agreed that a fourth topic for a single-year expert meeting would remain under consideration by member States. The proposed topic to be the object of further deliberations within and among regional groups of member States was as follows:

(d) Expert Meeting on Good Practices to Enhance Trade Impact [Including Female Migrants] in Women's Empowerment.

B. Other business
(Agenda item 4)

11. Under this agenda item, the provisional agenda for the sixty-first session of the Trade and Development Board, held in September 2014, was under consideration by the Board. The Board approved the provisional agenda (see annex I).

III. President's summary

A. Activities undertaken by the United Nations Conference on Trade and Development in support of Africa: Part I
(Agenda item 2)

12. The discussions focused on Africa were organized in two parts. The morning session consisted of a presentation of the report on activities undertaken by the United Nations Conference on Trade and Development (UNCTAD) in support of Africa, as contained in document TD/B/EX(59)/2. The afternoon session consisted of a panel debate and discussion.

13. The executive session was opened by the President of the Trade and Development Board. The Deputy Secretary-General of UNCTAD then addressed the session, making the opening statement, followed by a presentation by the Director of the UNCTAD Division for Africa, Least Developed Countries and Special Programmes. The representatives of the following delegations made statements: Chad, on behalf of the Group of 77 and China; Lesotho, on behalf of the African Group; Jordan, on behalf of the Asian Group; the European Union, on behalf of the European Union and its member States; Benin, on behalf of the least developed countries; China; the United States of America, on behalf of the JUSSCANNZ group; Algeria; Ethiopia; Ecuador; Zimbabwe; Egypt; and Guinea.

14. The UNCTAD secretariat stressed the importance of coordinating its interventions in Africa with those of other major development partners, especially the New Partnership for Africa's Development and the Economic Commission for Africa, and highlighted efforts being made to assess the impact of its work in Africa despite the challenges in conducting such assessments. One area where UNCTAD was increasingly becoming involved related to the formulation and implementation of an integrated approach to trade policymaking, such as through the updating of Diagnostic Trade Integration Studies in African countries.

15. Some delegations congratulated UNCTAD for the successful week of celebrations on the occasion of the organization's fiftieth anniversary. The delegations noted that it was more important than ever for developing countries to take full advantage of the synergies within the Group of 77 and China as work continued towards achieving a transformative agenda within the framework of a post-2015 development agenda.

16. Other delegations commented further that UNCTAD stood out among think tanks due to its unique intergovernmental machinery. UNCTAD was a think tank with a technical cooperation arm, supporting an intergovernmental machinery to translate the organization's work into global action. The delegations mentioned the necessity of augmenting efforts in order to strengthen synergies between the three pillars of UNCTAD work, especially in the context of a post-2015 development agenda and the upcoming fourteenth session of the United Nations Conference on Trade and Development (UNCTAD XIV). The lack of progress at reforming the international development architecture was noted. UNCTAD XIV could be an opportunity for countries to achieve a historical transformative agenda and prepare UNCTAD for its role in promoting a more equitable and fair global economic system.

17. Another delegation called for the UNCTAD policy recommendations communicated through its flagship reports, such as the *Economic Development in Africa Report* and *The Least Developed Countries Report*, to be more widely disseminated. One delegate commended UNCTAD for its collaborative efforts with African institutions such as the African Union, the Economic Commission for Africa and the Planning and Coordinating Agency of the New Partnership for Africa's Development. Another delegation noted the importance of UNCTAD as a partner to Africa as the continent tried to translate its vision of joining the ranks of middle-income countries into reality. Another delegation also suggested that UNCTAD enhance its efforts to identify the impact of its interventions in Africa.

18. One delegation encouraged UNCTAD to focus its research topics on the fields of regional integration, economic diversification, women's economic empowerment, youth entrepreneurship and the role of the private sector in building productive capacities. Other delegations commended UNCTAD for its work in the areas of transport in the context of the Almaty Programme of Action, the UNCTAD Automated System for Customs Data, the generation of trade statistics and the promotion of intra-African trade.

19. One delegate mentioned the forthcoming Africa-South America Summit, to be held in Quito in 2016, and the boost that the Summit could potentially give to South-South cooperation and to greater integration and cooperation between the two regions. Another delegate called for donor countries to increase the UNCTAD

resources devoted to Africa in order to increase the effectiveness of UNCTAD technical cooperation projects.

20. During the discussion, several delegations commented on the need for Africa to diversify its economies and build productive capacities in the context of promoting intra-African trade in addition to lowering trade and non-trade barriers. The importance of moving forward with regional integration and removing supply-side constraints such as infrastructure bottlenecks was noted.

B. Activities undertaken by the United Nations Conference on Trade and Development in support of Africa: Part II

Panel session: Monetary unions and regional trade in Africa
(Agenda item 2)

21. Under the agenda item, a panel debate was held to discuss the theme of monetary unions and regional trade in Africa. Document TD/B/X(59)/3 served as a guide to the discussions.

22. The panel consisted of three experts, one each from the West African Monetary Institute, Griffith University (Australia) and the African Union Commission. The panellists made presentations on the role played and progress made by monetary unions in regional integration in Africa and what African Governments needed to do to establish monetary unions that fostered regional trade and integration.

23. One panellist noted that though the conditions for regional integration were good, trade in Africa remained low and the continent had been unable to tap into its vast and numerous resources to spur economic growth. The panellist also underscored that there were various harmonization programmes for the creation of monetary unions and that these were well under way, such as the West African Monetary Zone and the West African Economic and Monetary Union. However, he also cautioned on the need to take a step-by-step approach, noting that once a key milestone had been achieved, it was important to raise awareness among the population about it. Despite the fact that some countries had not achieved their economic targets, there was a greater degree of convergence, macroeconomic stability and inflation control and there were improvements in payment systems.

24. Some panellists also noted that there continued to be key challenges at the political level, as the translation of commitments and ratification of protocols at the national level was slow. In addition, there were other priorities to be addressed first, such as weak infrastructure, which was affecting trade. Therefore, financing of basic infrastructure as well as policy harmonization were needed to move forward. Lastly, a mechanism to rebalance the benefits across the members of a future African monetary union was also required to ensure commitment.

25. Based on recent experience, some panellists noted that having a monetary union did not automatically result in an increase in trade. The panellists emphasized that monetary union could have a positive impact on trade integration and other economy-wide effects if a set of preconditions were met. Countries needed to reflect on what monetary unions should look like in terms of institutional design, selection of targets and degree of flexibility, as well as on the feasibility of allowing monetary unions to operate as a mechanism for the harmonization of business cycles. In addition, though there was a sense that a high level of regional trade and a long

transition phase were required, this did not need to be the case. Monetary unions could help to achieve these conditions as part of a process of self-validation.

26. Lastly, the panellists also underscored that Africa should not shy away from monetary unions since the European Economic and Monetary Union was not the source of the recent euro crisis. Instead, the European Economic and Monetary Union could be a source of valuable lessons for consideration.

27. During the discussion, many delegates thanked the UNCTAD secretariat for the background note and for organizing the panel on the theme selected.

28. One delegation highlighted that the process for creating the European Economic and Monetary Union had been long and that trade had already been quite high at the time it was created. Nonetheless, the European Union benefited immensely in terms of lower transaction costs, stability and financial market integration. In terms of lessons learned, a process needed to be followed to achieve a monetary union and this required a sequencing of policies. It was also underscored that monetary union per se was not the cause of the euro crisis, but rather the presence of imbalances in the system and insufficient monitoring as well as the absence of a fiscal buffer. Commitments had to be credible and enforced.

29. One delegate raised comments on the issue of how to harness political will for the establishment of monetary unions. It was noted that there was an issue of ceding sovereignty and that for many developing countries that were still in the early stages of economic transformation, this was difficult to reconcile with the policy space required for development.

30. Most delegations also noted that in Africa the requirements for a continental monetary union had not yet been met and that there was low trade integration between countries operating in established monetary unions, such as the West African Economic and Monetary Union. The patterns of trade complementarity as well as the infrastructure constraints should therefore be prioritized so as to increase productive capacities and overcome the bottlenecks affecting intraregional trade. In conjunction with this, lack of implementation also reflected political engagement and what happened after a commitment had been made at the highest level. For example, the creation of an African Central Bank had been vetted at the highest level, but to date, only two countries had ratified the relevant instruments, while 19 countries had only signed them. Implementation was therefore also an issue of independent justice systems and of how commitments were translated into relevant law, as well as an issue of financing their implementation.

IV. Organizational matters

A. Adoption of the agenda and organization of work
(Agenda item 1)

31. At its opening plenary meeting, on 23 June 2014, the Trade and Development Board adopted the provisional agenda for the session as contained in document TD/B/EX(59)/1. Accordingly, the agenda for the executive session was as follows:

1. Adoption of the agenda and organization of work.
2. Activities undertaken by UNCTAD in support of Africa.

3. Matters requiring action by the Board arising from or related to reports and activities of its subsidiary bodies:

   (a) Report of the Working Party;

   (b) Report of the Investment, Enterprise and Development Commission;

   (c) Report of the Trade and Development Commission;

   (d) Topics for single-year expert meetings for 2015 and 2016.

4. Other business.

5. Report of the Trade and Development Board on its fifty-ninth executive session.

B. Report of the Trade and Development Board on its fifty-ninth executive session

(Agenda item 5)

32. The Trade and Development Board authorized the completion of the report after the conclusion of the meeting under the authority of the President and the Rapporteur.

Annex I

Provisional agenda for the sixty-first session of the Trade and Development Board

1. Election of officers.
2. Adoption of the agenda and organization of the work of the session.
3. High-level segment: Tackling inequality through trade and development: A post-2015 challenge.
4. Interdependence: Trade and development policy challenges for a sustained recovery of the global economy.
5. Contribution of UNCTAD to the implementation of the Programme of Action for the Least Developed Countries for the Decade 2011-2020: Third progress report.
6. Economic development in Africa: Catalysing investment for transformative growth in Africa.
7. Evolution of the international trading system and its trends from a development perspective.
8. Development strategies in a globalized world: Policymaking in an evolving framework of global governance.
9. Investment for development: Investing in the sustainable development goals.
10. UNCTAD contributions to the implementation of and follow-up to the outcomes of the major United Nations conferences and summits in the economic and social fields.
11. Technical cooperation activities:
    (a) Review of the technical cooperation activities of UNCTAD;
    (b) Report on UNCTAD assistance to the Palestinian people.
12. Matters requiring action by the Board in the follow-up to the thirteenth session of the Conference:
    (a) Follow-up to the Joint Inspection Unit report and the agreed conclusions of the twenty-sixth special session of the Trade and Development Board on 6 July 2012;
    (b) Report of the UNCTAD Public Symposium.
13. Other matters in the field of trade and development:
    (a) Progressive development of the law of international trade: Forty-sixth annual report of the United Nations Commission on International Trade Law;
    (b) Report of the Joint Advisory Group on the International Trade Centre.
14. Report of the Working Party on the Strategic Framework and the Programme Budget.

15. Institutional, organizational, administrative and related matters:

    (a) Report by the Chair of the Advisory Body set up in accordance with paragraph 166 of the Bangkok Plan of Action on the implementation of courses by the secretariat in 2013-2014 and their relevant impact; and the appointment of members of the Advisory Body for 2015;

    (b) Designation of intergovernmental bodies for the purposes of rule 76 of the rules of procedure of the Board;

    (c) Designation of non-governmental organizations for the purposes of rule 77 of the rules of procedure of the Board;

    (d) Review of the calendar of meetings;

    (e) Membership of the Working Party for 2015;

    (f) Review of the lists of States contained in the annex to General Assembly resolution 1995 (XIX);

    (g) Administrative and financial implications of the actions of the Board.

16. Adoption of the report on credentials.

17. Provisional agenda for the sixty-second session of the Board.

18. Other business.

19. Adoption of the report.

Annex II

Attendance[a]

1. Representatives of the following States members of the Trade and Development Board attended the session:

Albania
Algeria
Austria
Bangladesh
Barbados
Belarus
Benin
Brazil
Burundi
Chad
Chile
China
Congo
Côte d'Ivoire
Czech Republic
Democratic Republic of the Congo
Dominican Republic
Ecuador
Egypt
Ethiopia
Finland
France
Germany
Ghana
Guatemala
Indonesia
Iran (Islamic Republic of)
Iraq
Japan
Jordan
Libya
Madagascar
Mali
Nepal
Nigeria
Paraguay
Peru
Republic of Moldova
Senegal
South Africa
Spain
Sudan
Togo
United Kingdom of Great Britain and Northern Ireland
Venezuela (Bolivarian Republic of)
Zambia

[a] This attendance list contains registered participants. For the list of participants, see TD/B/EX(59)/Inf.1.

2. The following intergovernmental organizations were represented at the session:

African Union
Eurasian Economic Commission
European Union
Organization of Islamic Cooperation

3. The following specialized agency or related organization was represented at the session:

World Trade Organization

4. The following non-governmental organizations were represented at the session:

General category

International Network for Standardization of Higher Education Degrees
World Vision International

Special category

International Ocean Institute